

**Summary Minutes**  
**City of Sedona**  
**Planning & Zoning Commission Meeting**  
**City Council Chambers, 102 Roadrunner Drive, Sedona, AZ**  
**Tuesday, February 18, 2014 - 5:30 p.m.**

**1. VERIFICATION OF NOTICE**

Chair Losoff verified the meeting had been properly noticed.

**2. CALL TO ORDER, PLEDGE OF ALLEGIANCE AND ROLL CALL**

Chair Losoff called the meeting to order at 5:32 p.m.

**Roll Call:**

**Planning & Zoning Commissioners Present:** Chair Marty Losoff, Vice Chair Michael Hadley and Commissioners Eric Brandt, John Currivan, Scott Jablow, Kathy Levin and Norm Taylor

**Staff Present:** Keith Chamberlain, Audree Juhlin, Cari Meyer, David Peck, Donna Puckett and Ron Ramsey

**3. ANNOUNCEMENTS & SUMMARY OF CURRENT EVENTS BY COMMISSIONERS & STAFF**

Audree Juhlin announced that staff added a checklist to the Sky Ranch Lodge project and staff anticipates doing a checklist for other Zoning and Development Review projects. This checklist is a result of listening to Commissioners wanting to know how projects meet the different code requirements, so you can see what is in compliance or not in compliance, etc. Staff will welcome the Commission's feedback. Vice Chair Hadley indicated that he contacted Cari to compliment her; it was excellent.

Chair Losoff indicated that the Commission should ask itself three basic questions -- What is good about the project, what can be improved, and what are some of the specifics?

Cari reported that a project update will be provided at the next meeting, and she introduced Keith Chamberlain, Assistant Planner, who will hopefully be at these meetings more in the future.

**4. APPROVAL OF THE FOLLOWING MINUTES:**

**a. February 4, 2014 (R)**

***MOTION: Commissioner Jablow moved to approve the February 4, 2014 regular minutes. Vice Chair Hadley seconded the motion. VOTE: Motion carried seven (7) for and zero (0) opposed.***

**5. PUBLIC FORUM: For items not listed on the agenda within the jurisdiction of the Planning and Zoning Commission – limit of three minutes per presentation. Note that the Commission may not discuss or make any decisions on any matter brought forward by a member of the public.**

*Chair Losoff opened the public forum and having no requests to speak, closed the public forum.*

**6. REGULAR BUSINESS**

- a. PZ13-00019 (TE) Discussion/possible action regarding a request for a Time Extension of the Development Review Approval for the C-Market, a new commercial building (DEV 2010-01). The property is located at 285 Jordan Road, is approximately 0.30 acres, and is zoned C-1 (General Commercial). A general description of the area affected includes but is not necessarily limited to the area northwest of the N State Route 89A and Jordan Road intersection. The property is further identified as Assessor's Parcel Number 401-**

**16-002. Applicant: Cedec Development Company; Staff: Cari Meyer, Associate Planner (10 minutes; 5:45 pm–5:55 pm)**

Cari Meyer reported that the Development Review was scheduled to expire on March 6, 2014, but the applicant picked up the permits and paid all fees on Friday, so there is no action needed on the Time Extension request. They are in the audience if you have any questions.

**Commission's Questions:**

Chair Losoff asked if they now fall into the regular schedule and have two years. Cari explained that they now have an active building permit, and to keep that active, they have to continue construction and have an inspection every six months, but they anticipate moving faster than that.

**Applicant, George Cedec:** Explained that they have already started work to get the building cleaned out and the vendors have almost picked up all of the air conditioning equipment, and a contractor did a little potholing to ensure what he said was underground was correct, so they will be going full steam Monday morning.

- b. PZ13-00018 (CUP) Discussion/possible action regarding a request for a Conditional Use Permit renewal for Enterprise Rent-a-Car. The applicant is proposing to operate in the same manner as the original Conditional Use Permit and subsequent renewals (related cases CUP2003-05, CUP2008-03) without modification, to allow an automobile rental business. The subject property is currently zoned C-1 (General Commercial) and is approximately 0.672 acres in size. The property is located at 2120 W State Route 89A. A general description of the area affected includes but is not necessarily limited to the area north of W State Route 89A between Goodrow Lane and Coffee Pot Drive. The subject property is further identified as Assessor's Parcel Number: 408-24-030. Applicant: Enterprise Leasing Company of Phoenix, LLC; Staff: Keith Chamberlain, Assistant Planner (10 minutes; 5:55 pm–6:05 pm)**

The Chair invited Troy Castronena, Enterprise Rent-A-Car Operations Supervisor, to join staff for the presentation, and Keith Chamberlain explained that Enterprise Rent-A-Car operates out of the building on the south side of the property that abuts S.R. 89A on the east side, and Pink Jeep Tours is the other tenant. There is a vehicle wash station out of view of S.R. 89A and there are six parking spaces reserved for Enterprise Rent-A-Car. Keith then pointed out the planter that serves as a barrier between the vehicle display area where three display vehicles can be located.

Keith Chamberlain then provided an overview of the background as provided in the Staff Report prepared for February 18, 2014 and noted that there are no changes to the previous CUPs. The applicant plans to continue the use much as they have the last 10 years; there will be no changes in hours of operation, except on Sundays, they will be open from 9:00 a.m. to 1:00 p.m., and there have been no comments or objections from property owners or the public.

Keith then provided an overview of staff's comments and indicated that the applicant had responded satisfactorily to all concerns. Additionally, no other reviewing agency had comments. Keith then summarized the minimum requirements in the Sedona Land Development Code and indicated that the request complies with the ordinance, reviewing agency requirements, and it is consistent with the Community Plan and required findings.

Keith pointed out that the applicant has complied with previous CUP Conditions of Approval during the past 10 years, and they have a positive operational history with no code enforcement complaints and no delinquent fees owed to the City, so staff is supportive of a 10-year Conditional Use Permit with the possibility of renewal, instead of the typical 5-year CUP, and staff recommends approval as stated in the Staff Report.

**Commission's Questions/Comments:**

- Question about who owns the property, and Troy Castronena explained that Enterprise Rent-A-Car subleases from Pink Jeep Tours and there is a different owner.
- Question regarding whether or not the owners can give notice and terminate the contract if they want to do something else in five years, and Mr. Castronena indicated he didn't have an answer for that. Keith explained that a letter granting permission for Enterprise to renew their permit was provided by a member of the LLC that owns the land.
- Comment that the CUP goes with the land. Audree Juhlin explained that the lease agreement between the tenant and property owner is not contingent upon the CUP, so if the property owner wanted to use the land for another purpose, the CUP doesn't go away, but it may not be used. The CUP doesn't guarantee that the land will be used in this manner.
- Question about the three car display area upfront, and Keith explained that the requirement is one parking space per 1,000 sq. ft. of sales and display area, and they have 1,400 sq. ft., so they would only need two spaces, and with their parking satisfied, they let them display there too.
- Comment that they always keep the place very clean and tidy, without an overabundance of cars. It is also a great asset to have Enterprise within the City.
- Question regarding the applicant's willingness to place additional landscaping in the area as indicated in page 5 of the Staff Report and whether or not the 2009 CUP requirement for landscaping was satisfied. Audree Juhlin explained that the previous staff member is no longer with the City, so staff doesn't have a definitive answer, but it currently barely meets the minimum requirements, so staff wants to work with the applicant to create a year-around screening. It is in ADOT's right-of-way, so we also have to work with them.
- Question about not having a Condition of Approval that specifically deals with that issue, and staff indicated that can be added if the Commission feels it is important, but it meets the minimum requirements and the applicant is willing to work with staff.
- Question regarding the relevance of the 10-year timeframe compared to a 5-year timeframe, since the property is in Community Focus Area 4 in the new Community Plan, with a community expectation of creating a more walkable environment. Audree indicated that the use has historically been suited for that area and staff hasn't seen any issues with the use in that location. It is actually a great location for tourists, so staff didn't see any reason to not support a 10-year Conditional Use Permit, but the Commission can recommend five years. The special planning for the CFAs has to be completed and she doesn't know when that will occur. If the Commission grants five years, that is probably more likely to be within that timeframe. If the CUP is granted for ten years, it is up to the holder of the permit as to whether or not they choose to use it in that way.
- Comment that it isn't seen as a conditional use issue; they meet the criteria, but the comment about the landscaping is a good point that should be in the conditions.

The consensus of the Commission was to include the landscaping in the Conditions of Approval.

**Commission's Questions/Comments (continued):**

- Suggestion to either go for five years if they don't want a condition on landscaping or include it as a condition with 10 years for the permit.
- Suggestion that the landscaping follow page 2 of 4, similar to Desert Hills Bank.
- Question as to whether or not the applicant is willing to do the landscaping, since it is up to the owner. Mr. Castronena stated that the applicant is willing to do it.
- Question as to whether or not they have the authority under their lease to do the landscaping. Audree Juhlin explained that it is really under ADOT permit approval, so the applicant has to work with ADOT. Mr. Castronena indicated that he doesn't believe the landscaping will be an issue with the owner.

- Staff was asked to follow-up on this in the months to come and Audree Juhlin indicated that staff will work with the applicant to submit something to ADOT for approval, so it can't be guaranteed, but if ADOT won't approve it, we will bring it back to the Commission.
- Suggestion to have something from the owner saying the condition is understood and okay. Cari Meyer explained that as part of the CUP, the property owner will have to sign the agreement, and if you want to add the condition, a timeframe should be included.

The consensus of the Commission was to specify a 6-month timeframe and staff was asked to report back to the Commission in 6 months.

Cari read the following proposed Condition of Approval: "Within six months of approval, additional landscaping shall be planted in the road frontage, subject to approval of an ADOT Right-of Way Permit and property owner approval."

**Commission's Questions/Comments (continued):**

- Comment that we don't know if they complied with the previous Condition of Approval in 2009 or not. Audree Juhlin explained that staff will do periodic site visits to ensure the Conditions of Approval are being adhered to, and some vegetation may have died. Keith displayed a picture taken in 2007 and noted that what is there now is a lot more.
- Comment that the property to the east used to be the Twice Nice Thrift Store where his wife worked from 2005 to 2010, and her comment was that they were excellent neighbors and they always kept up their place, so there is an endorsement.
- Question if the owner of the property wanted to do something different, would he be able to do it, and Audree Juhlin explained that staff doesn't know what kind of lease agreement they have, but if the property owner wanted to break a lease and use the property differently, she doesn't see any reason why they couldn't pursue it. The property owner could use the CUP as long as it met all of the Conditions of Approval.
- Comment that the Commission can't decide on a project based on what might happen in five to ten years or what the Community Plan might be at that time. If that area changes, it won't just be this one CUP; it would be the whole corner. Audree Juhlin added that the property owner still has property rights and must be willing to make a change.

Chair Losoff indicated that if there were no more questions, he would entertain a motion; however, staff pointed out that it is a public hearing and it needs to be opened for public comment.

*Chair Losoff opened the public comment period.*

**Max Licher, Design Group Architects, Sedona, AZ:** Indicated that regarding the possibility of planning, he would personally advocate that the applicant be allowed 10 years, because it just eliminates extra work. The 10-year CUP won't inhibit any planning vision from happening. In these Community Focus Area planning efforts, the planning is at the planning level, not the zoning level. It is putting a vision together for what we all, including the property owners, want it to be, and then it is up to the property owners to bring forth projects one at a time or several together for rezonings that might meet that in the future, but it will take a long time to transform an area. Whatever exists now shouldn't inhibit any of us in coming forth with visions in those specific area planning efforts, so there isn't any incapability there.

*Having no additional requests to speak, Chair Losoff closed the public comment period and Audree Juhlin suggested that the amended condition be included in the motion.*

**MOTION: Commissioner Jablow moved to approve case number PZ13-00018(CUP), based on compliance with all ordinance requirements and satisfaction of the Conditional Use Permit findings and applicable Land Development Code requirements and the conditions as amended with landscaping as directed, "Within six months of approval, additional landscaping shall be planted in the road frontage subject to approval of ADOT**

***Right-of-Way Permit and property owner approval", and this will be for the 10-year time period. Vice Chair Hadley seconded the motion. VOTE: Motion carried seven (7) for and zero (0) opposed.***

Chair Losoff commented that in the future it would be good to have the owner present for any Conditional Use Permit; however, Audree Juhlin explained that it can be requested, but it is not required.

- c. PZ13-00014 (ZC, DEV) Discussion/possible action regarding a request for a Zone Change from CF (Community Facility) to L (Lodging) and Development Review approval to construct 40 new lodging units, a new meeting facility, and associated site improvements at 1105 Airport Road. A general description of the area affected includes but is not limited to the area west of the intersection of Airport Road and Air Terminal Drive on top of Airport Mesa. The lot is further identified as Assessor's Parcel Number 408-27-001. Applicant: Sky Ranch Operations, LLC; Agent: Design Group Architects; Staff: Cari Meyer, Associate Planner (60 minutes; 6:05 pm—7:05pm)**

Cari Meyer indicated that this agenda item is for a Zone Change and Development Review for the Sky Ranch Lodge expansion at the airport. Cari reviewed the background of the request, which began when the applicant began meeting with staff in 2011, and if the Commission concludes its hearings on this item, it will go forward to the City Council for the Zone Change portion of the application.

Cari displayed a vicinity map and an aerial map for the site and provided an overview of the proposal as presented in the February 18, 2014 Staff Report. Cari also pointed out that they are not requesting any alternate standards or exemptions for the Land Development Code requirements.

Cari explained that there are two portions, the Development Review portion and the Zone Change application. Cari then discussed the Development Review portion and identified the expansion area for the cottages and the meeting facility. The project was reviewed for compliance with Articles 9 and 10 of the Land Development Code and the evaluation is provided in the checklist provided.

Cari described the two cottage types, the meeting facility and the proposed landscaping around individual units. Engineering reports for drainage, traffic and wastewater were also included showing that detention areas were included throughout the site, the expansion wouldn't negatively affect the level of service along the roadway, and by converting the existing hotel and the expansion to the new system, the pollutant load will be reduced below the current levels.

Cari explained that there are no private properties within the notification radius, so notification included properties along Airport Road, and the applicant completed two citizen outreach processes. During the final review process, they held an open house and no one showed up. Staff did not receive any comments regarding this project, and all reviewing agency comments pertained to what would be required for building permit submittal; nothing that would affect the design of the site as proposed.

After reviewing the proposed Conditions of Approval, the applicant requested a change to Development Review Condition 4 regarding the timing of Phases I and II, which is reflected in the handout given to the Commission. They are requesting to be able to construct the two phases concurrently, which wouldn't have been possible with the previous condition. Staff did include the requirement that Certificates of Occupancy for Phase I must be issued prior to Phase II, but other than that, staff was supportive of allowing them to construct concurrently.

Additionally, Cari indicated that there was a mistake in the Staff Report regarding the number referenced in the recommended motion, so that is included in the document as well. Cari then stated that the development plans for the proposed expansion meet the findings as required by the Sedona Land Development Code. The project as proposed and conditions will not negatively impact the citizens of Sedona and the surrounding properties, and it is compatible with adjacent land uses. The project is proposed to be developed in full conformance with the regulations for the proposed underlying zoning district, and the proposal is consistent with the goals, objectives and policies of the Sedona Community Plan. Therefore, staff recommends approval as presented in the Staff Report.

**Max Licher and Mike Bower with Design Group Architects, Sedona, AZ** were invited by the Chair to join the discussion at this time.

**Commission's Questions/Comments:**

- Question about page 10 of the Staff Report regarding a statement that the project is not at full compliance, because of the failure to provide covered parking. Cari explained that is where good faith intent to comply is one portion of the Design Review Manual and it recommends considering covered parking to mitigate some heat impacts. They aren't providing any covered parking, but staff felt they are in compliance with the majority of the rest of the Land Development Code and Design Review Manual. Covered parking isn't required for lodging uses and in conjunction with the landscaping they are providing, it meets that intent to provide some shading for the parking.
- Question regarding enforcement related to the width of the connecting road on page 4 of the Development Standards Checklist, and the comment that the applicant will be required to submit plans based on the Public Works Department's decision. Cari explained that it is addressed in the Conditions of Approval that they have to submit a final grading and drainage plan that would show all road widths, and permits won't be issued until that is in compliance.
- Question about the location of the road, and Cari pointed out the location within the site.
- Question about the change of timing in the phasing, and Max Licher explained that the clients want the ability to do that, depending on how the financing turns out. They have some timeframes with the lease at the airport, when they are obligated to have a certain number of units constructed, and if they had to wait for the completion of Phase I before starting Phase II, it might put them in a bind, but they don't want to be 100% committed to having to do them concurrently, depending on financing and construction costs, so they just want the flexibility. Their understanding was that the Commission's concern was that the meeting facility and bulk of the community benefit portion be done first, so this language satisfies both concerns.
- Comment that Phases I and II will be done in three years regardless.
- Concern that Phase III basically extends out 10 years and question to the applicant as to whether or not they are open to modifying that. Max Licher indicated that they would prefer to keep it at 10 years. Cari explained that based on the zoning, the conditions would vest with the completion of Phase I, so moving forward, if you had a shorter review time and they didn't meet that, they would have to come back for Development Review, but if they match what is there, you may want to ask yourself what the concern would be. Would you not approve the design again, if it was going to match what is there? That is why staff was supportive of it, because the bulk of the project and major site issues were addressed in Phases I and II. Audree Juhlin added that it isn't the intent of the applicant to string construction along for 10 years; it is if they don't have the funding for several years, they don't lose that right without coming back to the Commission.
- Question about the traffic impact for the conference center and if they received comps on what to expect when only the conference center is used. David Peck explained that on the trip generation they used ITE Code 310, which should cover the conference center. They took another 100 trips per day, figuring that half of the folks would be staying at the lodge and half would be from off-site and figuring two people per car, so there would be 50 trips in

the evening and 50 trips in the morning, and they added that to the ITE. The ITE came up with about 22 a.m. peak hour trips and 24 p.m. peak hour trips, so they basically tripled that by adding another 50 trips in the a.m. and p.m., and it is still a good number.

- Question about the access from the curved drive through the units and if that is going to be developed as a road. Mike Bower indicated no, it is a parking lot.
- Question regarding the exits for the occupancy of the conference center, which according to the International Building Code could be about 500 people. Max Licher explained that the exit doors are wide enough to meet that code requirement, but in conjunction with the Fire Marshal, they are going to voluntarily limit the occupancy to about 230 participants and staff, so they don't run into issues regarding the need for extra parking, etc. They have multiple exits out of the large meeting room with double doors. Additionally, Audree Juhlin explained that another review occurs after approval by the Commission and City Council in our Building Safety Plan Review, and they have to be in accordance with the Building Code. The Occupancy Permit will be issued based on compliance, and with the voluntary occupant maximum load they are agreeing to.

*Chair Losoff opened the public comment period and having no requests to speak, closed the public comment period.*

Chair Losoff asked about Mr. Hamilton and Mike Bower indicated that he has left the project and will be replaced shortly, and the Graham family will be hiring a new General Manager for administrative purposes.

**Commission's Comments:**

- Comment that the applicants have been extremely willing to meet the Commission's concerns and the overall project is very thoughtfully designed; he is very much in favor of it.
- Comment about compliments to the applicant and appreciation for staff; there were a lot of concerns, but staff was very helpful. The new checklist is also very helpful. David and Andy have given a lot of time and helped him to understand the project better.
- Comment that it is a good project and she liked the cottage design and sensitivity to the viewshed, the earthy-colored palette, organic materials and natural finishes, the retention and integration of natural vegetation and landscaping, and a meeting facility with dedicated free and discounted community usage, plus they are offering a shuttle to reduce trips on Airport Road. The community benefits are substantial, including three affordable housing units onsite, vista improvements, trail contributions and a pedestrian linkage to the Mesa Grill Restaurant.
- Comment that the reason why sidewalks aren't delineated on the site plan is now understood, because of it being a federally-controlled facility.
- Comment that everything seems to be in compliance, and after reviewing this for three years, it has evolved nicely.
- Comment in agreement about the community benefits as far as the Development Review portion.
- Comment that this Staff Report was outstanding. The Commission got an historic perspective of this property and the complexities of dealing with the Airport Authority and the County, etc.; it was a great job, so if Cari did it -- a gold star for her.
- Comment that this could be a case study for future projects, hoping that not all projects will extend over three years, but it could be a good case study.

Regarding the Zone Change portion, Cari indicated that this project involves a change of zoning from Community Facility (CF) to Lodging (L). The process started with the Community Plan Amendment that designated the area for commercial and lodging uses. The Community Plan also mentions uses at the airport, and the current Community Plan states support for non-aeronautical land uses to provide sources of income for the Airport Authority that don't rely on air traffic. The Community Plan also states that lodging uses should maintain the small town character and be compatible with the surrounding uses, etc.

Cari explained that the applicant is proposing a variety of community benefits and the highlights would be the three affordable housing units, free and discounted use of their meeting facility to the City of Sedona and possibly other community groups, \$50,000 committed to fund improvements around airport mesa, and how those funds are allocated will be dependent on the Airport Master Planning Process currently underway. Sky Ranch Lodge also has contributed money to fund the Sedona view trail, and the U.S. Forest Service has confirmed that their contribution is just over \$16,000. The trail is complete, and they are currently working on signage for the trail that connects the upper parking area to the vortex area. There also is an anticipated increase in tax revenue for the City as well as the introduction of the non-aviation use at the airport, which makes the airport less reliant on air traffic and gives the City of Sedona design review authority.

Staff is proposing that this be a conditional rezoning as allowed by the City Code and Arizona State Law. The Conditions of Approval, as proposed, state that the zoning would be vested upon completion of the elements identified as Phase I in the Development Review portion of this application. This means that if Phase I is completed and Phase II and III aren't, and the Development Review for those phases expire, they would only have to come back through Development Review to complete the project.

Cari indicated that the Zone Change request will not negatively impact the citizens of Sedona and surrounding properties; it is compatible with the adjacent land uses and it is consistent with the goals, objectives and policies of the Sedona Community Plan, so staff recommending a recommendation for approval of the Zone Change as stated in the Staff Report.

**Commission's Questions of Staff and the Applicant:**

- Question pertaining to page 5 of the Staff Report about how the free and discounted use of the meeting facility is going to be enforced, and Cari explained that there is a draft Development Agreement that will go to the City Council and it will contain the affordable housing units and the schedule of use of the facility.
- Suggestion that the Agreement spell it out in more detail, because it says six days or nights at no charge, and it is assumed that is per year, and that should be stated in the Development Agreement.
- Question about it also saying days or nights, so does that mean the use would be either in the day or the evening, but not both, and if used for a day and an evening, would that be two uses. That should be clarified in the Development Agreement.
- Question regarding the commitment of \$50,000 for improvements at the airport to include sidewalk and public art, then on page 18 there is mention of the art in public places requirement, so are those the same dollars, because there are differences in the requirements. Cari indicated that based on her calculations, the art in public places requirement would be about \$12,000.
- Question about whether or not they are committing to \$50,000 which includes the \$12,000 or \$62,000. Max Licher explained that the first one is not a requirement; the art in public places is a requirement, while the other one is their offer, and the art requirement is part of that \$50,000. They know they can do the public art requirement and the sidewalk that connects the lodge and the vista to the airport restaurant, but they don't know that cost, it will leave an additional amount of money beyond the \$12,000 of art that they are conceiving will go at the vista, and that public art requirement can be satisfied either with money or art, and in this case their clients would rather do the art. Mike Bower added that according to the ordinance, they could place the art in the development solely for the enjoyment of the guests, but they decided that it made more sense to pick a public place like the overlook. Since that is under the Airport Authority's purview, they wrote in the Letter of Intent that it wasn't \$62,000, but \$50,000 and the \$12,000 was inclusive, in order to be clear where that money was going to end up. Additionally, in response to the request to see some sidewalk connections, the Airport Board and their clients thought that would be



a good use of that \$50,000 and that would be part of the improvement of the experience at the overlook.

- Suggestion that everyone understand that what is really being contributed is not \$50,000, but \$38,000, because there is a \$12,000 requirement under the Code.
- Comment that there is an additional \$16,000 that the applicant has dedicated to the development of the trail.
- Question regarding page 12 of the Letter of Intent, benefits include the signage at S.R. 89A, and it says the applicant would be happy to upgrade, but staff had indicated that wouldn't be possible. Cari explained that during the Conceptual Review, staff was asked to see if that is possible, but there is no way staff can permit that, and that can be clarified as it goes forward to the City Council.
- Question as to if it is possible to condition it to be removed, and Audree Juhlin explained that it is a legal non-conforming sign that was erected prior to the City's Sign Code; therefore, it retains its status to be there as long as it is not changed. It can be maintained, but it can't be moved or changed in any substantial way, so to make that a condition, our Legal Council is nodding no, but if CVS goes forward, they will lose that sign.
- Comment that when the Commission approves projects, it is implied that enforcement is there based on Letters of Intent, etc., so is it necessary to codify some of the issues, such as a condition that they will provide the free meeting space or shuttle service, which at one time was going to be a benefit. Cari explained that Condition of Approval 3 under the Zone Change requires a Development Agreement for the affordable housing and the use of the meeting facility. A number of other items are addressed in the site plan, and as they come in for building permits. Audree pointed out that the shuttle service would be addressed under Condition 1, which says they have to conform to what was presented to the Commission, etc.
- Question about the Commission giving input for the Development Agreement, so the people putting it together know the Commission's thoughts. Audree Juhlin explained that the Conditions of Approval spell out what has to take place in specific detail. In the case of the affordable housing units and discounted room rate, that is a little different and we want it locked into the Development Agreement, but it is not typical to lock in any of the other conditions.
- Comment that if the Commission felt the shuttle service was of equal importance to the housing, then we would like to have it in the Development Agreement. Ron Ramsey explained that the Development Agreements are negotiated between the Council and the developer. Your record could express the concern that some of these flow through, but you have plenty of protection as it stands. You have all of the conditions, all of what was presented to you in the Letter of Intent and supporting documentation that goes along with it, so all of those don't have to be cited again in the motion. You also have some specific language that says we also would like to see in the Development Agreement, which is up to the Council, and they say as a condition of the rezoning, they want them to execute the following elements of the Development Agreement. You have enough on the record and enough expressly in the conditions to protect those interests. Max Licher clarified that the shuttle will be a private shuttle for their clients, in order to provide an extra service that will help reduce trips. It is not a public shuttle; therefore, their understanding was that it wasn't something that the Commission needed to micromanage.
- Comment that it was understood and that is why the request is to see it mentioned in the conditions as a benefit, since there was a big discussion about traffic and there is still a desire to see that specifically referred to as a benefit. Audree Juhlin indicated that staff could point out to the City Council that the Commission felt this was a benefit worth listing, and provide that to Council as part of the community benefits in total.

Chair Losoff then stated that he would like to see one of the conditions be to put in the shuttle service as initially discussed. He then asked if anybody else agrees with him. Commissioners Jablow and Levin stated that they agreed. Commissioner Taylor stated that it doesn't matter. Vice Chair Hadley stated that as Audree just expressed it, yes. Commissioner Currivan stated

that he agrees with the concept, but if we can just make it clear to Council that we think it should be in the Development Agreement, that will cover it. Commissioner Brandt stated that it is a great idea, but it is hard to control it to actually ensure that it happens. You would have to do that with a permit or monitor it or something, so he is not sure that it functions . . . Chair Losoff interrupted to say that he hopes Development Agreements are thoroughly enforced.

Audree Juhlin explained that the Development Agreement as well as the Conditions of Approval are both enforced. Commissioner Jablow stated that he was very concerned about the traffic on Airport Road, and the applicant said that van would help alleviate some of the problems, so the way the applicant is giving it to the Commission now, he has the feeling it could go away. It is understood that it is just for your guests and not a public shuttle, but it is important to help alleviate the traffic, and that is one of the things that helped him endear that concept.

Audree Juhlin suggested just amending the Conditions of Approval and add that as an item that the applicant is bringing forward. It is not staff's recommendation to include it as part of a Development Agreement. Chair Losoff then stated that he would like to amend the Conditions of Approval and we seem to have a consensus here.

Mike Bower indicated that he has sat through several different Planning Commission meetings in this role as an applicant for a Zone Change request. In the past, the Letter of Intent was always taken quite seriously, and he and Max spent a lot of time writing that. Staff has the Conditions of Approval and the very first one incorporates the Letter of Intent, so it has been his perspective that the Letter of Intent is a serious document, it is a Condition of Approval, so everything in there is meant. Max meant the same thing that Commissioner Jablow is concerned about, and not that it is casual at all; it is a serious, but minor help to the traffic problem, but they can't go into the degree of legal wording beyond what they have done in the Letter of Intent.

Mike referenced the days or nights question, "or" is a legal term, "and" is a legal term, so he could be wrong and it could take deeper study by the attorney's for anything you want amplified in a Development Agreement, but the Letter of Intent is clear, so if it is included in Condition 1, a lot of this discussion isn't necessary. Cari referenced page 11 of the Letter of Intent that says, "Although not a public transportation system, Sky Ranch Lodge will provide a shuttle van for its customers, which will consolidate visitor trips from the mesa into town and back."

Chair Losoff stated that the Commission understands, but the Commission has also included items that they specifically want mentioned in the conditions. He sees no problem and the Commission agrees in adding a sixth Condition of Approval, since it was put up initially as a major benefit. Staff indicated that can be added with the Commission's motion. Commissioner Currihan stated that the Commission isn't trying to make it any more specific than it is in the Letter of Intent, and it is very vague and an outline of an idea. The Chair agreed that it is not for the Commission to start dictating how many trips, etc.

Cari stated that taking the language from the Letter of Intent, a Condition of Approval could be, "The applicant shall provide a shuttle service for their customers to consolidate visitor trips from the hotel into town and back." Mike Bower clarified that the owner just said that they have had one for over two decades, so you might want to say "continue providing . . ."

Audree Juhlin stated that Condition 1 says, "In conformance with the representation, which means everything they presented to the Commission, including the site plan, Letter of Intent and all supporting documentation as reviewed, modified and approved by the Commission and City Council. Even the verbal representation is included in Condition 1. Cari added that is why we have minutes.

Chair Losoff opened the public comment period and having no requests to speak, closed the public comment period. The Chair then stated that the Development Review and the Zone Change will be addressed separately.

**MOTION:** Vice Chair Hadley moved to approve the proposed Development Review for the Sky Ranch Lodge Expansion as set forth in case number PZ13-00013 [sic] (DEV) based on compliance with all ordinance requirements and satisfaction of the Development Review findings and applicable Land Development Code requirements and the conditions as outlined in the Staff Report, with approval Condition #4 modified as follows: "Permits for construction of Phase II may be issued concurrent with Phase I or may be sequenced at some point thereafter within the three-year period, but construction of Phase II shall not be undertaken prior to or without concurrent construction of Phase I. Certificates of Occupancy for Phase I buildings shall be issued prior to Certificates of Occupancy for Phase II buildings. Commissioner Jablow seconded the motion. VOTE: Motion carried seven (7) for and zero (0) opposed.

**MOTION:** Vice Chair Hadley moved to recommend to the Sedona City Council approval of the proposed rezoning as set forth in case number PZ13-00014 (ZC) from CF (Community Facility) to L (Lodging) based on compliance with Land Development Code requirements, conformance with the requirements for approval of a zone change and consistency and conformance with the Community Plan and subject to all applicable ordinance requirements and the conditions as outlined in the Staff Report with the additional condition #6, "The applicant shall continue providing shuttle service for their customers to consolidate visitor trips from the hotel into town and back." Commissioner Jablow seconded the motion. VOTE: Motion carried seven (7) for and zero (0) opposed.

7. Discussion/possible direction regarding topics discussed during the Planning and Zoning Commission Retreat on February 13, 2014, including, but not limited to, legal direction, roles and responsibilities of the Commission, and the Commission's proposed Work Program (15 minutes, 7:05 pm–7:20 pm)

Chair Losoff asked if there were any questions or follow-up from the retreat, and Vice Chair Hadley asked if a member of Council or a Commission has a CCW permit, does that negate not being allowed to bring in a concealed weapon, and he doesn't have one tonight for the record. Ron Ramsey indicated that just as legal advice to the Commission, that sign is primarily there at the insistence and the requirements for the court. It also applies to public meetings and there are some legislative bills pending that would elaborate on that. The basic requirement now is that you can prohibit it, but you must provide secured locker space for the weapon, and they must be accessible to the person when they leave. The aluminum boxes in the lobby have caused some problems with the staffing, because if they have a meeting like this, they don't have access to whoever has those keys, but obey the sign and under the current law, you would have to surrender the weapon, even though it is a concealed weapon and it would be secured in one of those boxes, and you would be given the key, and the second key is held by a staff member. The answer is that a Concealed Weapon Permit does not negate the statute.

Vice Chair Hadley then referenced the discussion in the retreat about P&Z Commissioners' conduct and not revealing before hearing all testimony, etc., how you are going to vote, and tonight several of us said that we thought the Sky Ranch Lodge was great and we were in full support, so was that in conflict with what we heard at the retreat?

Ron Ramsey indicated not at this point with that project. You've heard that project for three years and you've already expressed opinions on most of the issues, so not at this point. It is good to maintain caution when you express a concern, for example if you say this is a concern you have, and not say unless you see \$62,000 as the amount of contribution, you can't vote for this project. How does a project progress if they don't have these concerns expressed even at the outset?

Audree Juhlin added that the first phase is the Conceptual and the second phase is the Final Review, so we shouldn't be forming an opinion in the conceptual stage. Share your concerns and your issues, but not your opinions and say that you can't support the project for these reasons at that stage. Ron Ramsey indicated that there are some reasons, even when expressed as a concern, that might never be appropriate, such as we have enough pharmacies in this town or enough tire shops in this town, we think that the project is going to generate too much traffic on that road, because we know of other projects that are going to add traffic to that road that we are about to approve. It has to be a comment or concern that is appropriate, and we got close to that tonight talking about that sign, which is off of the premises and not really under the control of the applicant. It's a concern, but this is not really the place to address that.

Chair Losoff indicated that on the work program, one thing was to define the character of Sedona and the different opinions of what that means. The Design Review Manual talks about it and the Main Street Guidelines talk about Main Street character, but we have different opinions at times, so he suggests that two Commissioners get together as an informal work group and come up with some plan for what the character of Sedona should be. Audree Juhlin stated that staff can form a working group and ask for volunteers to work with staff. At times, applicants ask staff what the Commission means by "sedonaish", so staff will work with volunteers to define that.

Ron Ramsey referenced some language in the new Community Plan that was highlighted at the retreat, so if passed, that will give you a good basis, and there is a quote that concludes that it depends on the viewer and Sedona is known for its variety of architectural designs and we should encourage variety in our community, so if the Plan passes, what we have used in the past is not going to be applicable.

Commissioner Brandt indicated that if the Commission just follows the Design Review Manual and the Main Street Guidelines, those have enough direction, so he doesn't see the need for a committee. Chair Losoff referenced a project that involved differences of opinion regarding the Main Street Guidelines and Sedona Rouge was another project where there was an issue. Commissioner Taylor indicated that the Main Street Guidelines are really pretty poor as a guide and it should be clarified, because it led the Commission to be divided on that project.

Commissioner Levin added that there are a number of source documents that could be used as a starting point. The Sedona Academy sponsored a Sedona Forum on sense of place and small town character with 100 plus participants, and there is the Belief Statement that expresses art and culture, so there are a number of different places where the community has tried to define this, in addition to the standing ones that the Commission has to regulate sense of character, so we should collect all of those source documents as foundational material.

Audree Juhlin pointed out that the working team might be growing in scope, because if the Design Review Manual is going to be redefined, that will take some effort. Chair Losoff suggested keeping it simple, just what is Sedona's character; however, as the Community Plan is approved, we will need to review the policies, codes, etc. Audree repeated that staff will form a working team with two or three volunteers.

- 8. FUTURE MEETING DATES AND AGENDA ITEMS (10 minutes; 7:20 pm–7:30pm)**
- a. Thursday, February 27, 2014; 3:30 pm (Work Session)**
  - b. Tuesday, March 4, 2014; 5:30 pm (Public Hearing)**
  - c. Thursday, March 14, 2014; 3:30 pm (Work Session)**
  - d. Tuesday, March 18, 2014; 5:30 pm (Public Hearing)**

Cari indicated that on February 27th, we have the Capital Improvement Program and a project update. On March 4th, we currently do not have anything on the agenda. The Chair then stated that meeting is canceled. Cari then indicated that March 13th is canceled, because the City Council rescheduled their meetings that week. On March 18th, there is a potential to have a full agenda, depending on whether or not staff gets some re-submittals, which we will know about by Friday

afternoon, including Sedona Rouge and a new project for the expansion of Tlaquepaque north of S.R. 179, and those will involve site visits, so food will be provided. The Chair asked about March 4th and staff explained that there wouldn't be time for staff's review. Staff added that the March 18th meeting will be in the Vultee Conference Room and we will probably start site visits around 3:00 p.m., and then return for a 5:30 p.m. meeting.

**9. EXECUTIVE SESSION**

**If an Executive Session is necessary, it will be held in the Vultee Conference Room at 106 Roadrunner Drive. Upon a public majority vote of the members constituting a quorum, the Planning and Zoning Commission may hold an Executive Session that is not open to the public for the following purposes:**

- a. To consult with legal counsel for advice on matters listed on this agenda per A.R.S. § 38-431.03(A)(3).**
- b. Return to open session. Discussion/possible action on executive session items.**

No Executive Session was held.

**10. ADJOURNMENT**

Chair Losoff thanked the Commission for the work on Sky Ranch Lodge that started with a Community Plan Amendment, so the Commission shouldn't feel bad when we say three years.

Chair Losoff called for adjournment at 7:38 p.m., without objection.

I certify that the above is a true and correct summary of the meeting of the Planning & Zoning Commission held on February 18, 2014.

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Donna A. S. Puckett, *Administrative Assistant*

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Date